

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

COLLINS CHABANE LOCAL MUNICIPALITY
EXECUTIVE SUMMARY: DRAFT MEDIUM-TERM REVENUE AND EXPENDITURE
FRAMEWORK (MTREF) 2020/21 – 2022/23

PART A

1.1 INTRODUCTION

The Collins Chabane Local Municipality is presenting the Medium-Term Expenditure Framework budget at the time when the whole world has been hit by the Coronavirus. A part of the global community, South Africa has equally been affected negatively by this pandemic.

The lockdown that the government has ordered in a way to deal with this pandemic will hit every sector of the economy. There is a need to remain focused on the effective delivery of the core municipal services using efficient and effective service delivery mechanisms.

Collins Chabane Local Municipality has made significant progress in the delivery of services in the form of road infrastructure and refuse removal since its inception in 2016.

In preparing the 2021-2023 MTREF budget, the municipality was guided by the President's State of the Nation Address, the Minister of Finance Budget speech and the State of the Province address.

In his State of the Nation Address, the president said "Everything we do must be underpinned by the effective implementation. That is why we have developed the DDM, a unique form of social compacting that involves the key role players in every district so that we can unlock development and economic opportunities. It builds the capability of the state where it has been most broken.

In considering the President's State of the Nation Address, the Minister of Finance said "President, you have directed your government to deal with wasteful expenditure. This is a vital step in restoring the confidence of the public in the government. We must get more value for our money. The President instruction requires a dynamic and appropriate mix of quantity, quality, capacity and capability the administration of the state".

The municipality is therefore required to exercise a maximum financial management discipline from the administrative component.

Finally, in his address on 23rd March 2020, the President said "In the days, weeks and months ahead our resolve, our resourcefulness and our unity as a nation will be tested as never before. I call on all of us, one and all, to play our part. To be

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

courageous, to be patient and above all, to show companion. Let us never despair”.

“LET US NEVER DESPAIR AND CONTINUE WITH THE MANDATE GIVEN BY OUR COMMUNITIES OF DELIVERING SUSTAINABLE BASIC SERVICES”

The estimated revenue budget R556,925 million, R594,243 million and R628,143 million for the financial years 2020/21, 2021/22 and 2022/23 respectively.

The total operating expenditure R356,021 million, R352,739 million and R371,233 million for the 2020/21, 2021/22 and 2022/23 financial years respectively.

The capital budget of the municipality is R324,026 million, R163,700 million and R169,350 million for the financial years 2020/21, 2021/22 and 2022/23 respectively.

In implementing both operational and capital budgets, the municipality will ensure the maximum use of its Supply Chain Management policy to ensure that our local community benefits from the implementation of both the operational and capital budgets in their areas in terms of Preferential Procurement Policy Framework Regulations.

For this budget to be capable of being implemented it needs discipline from all of us, increased effort in regard to credit control and the elimination of wastages through the application of cost containment measures. The procurement plan has been developed and submitted with the draft budget to council for approval.

Our commitment remains the provision of democratic and accountable local government for our communities, provision of sustainable services, promotional of social and economic development, promotion of safe and healthy environment and encouraging the involvement of communities and community organizations in the matters of the municipality.

The municipality should carefully consider affordability of tariff increases, especially as it relates to domestic consumers while considering the level of services versus the associated cost. Therefore, the application of sound financial management principles for the compilation of Collins Chabane Local Municipality’s financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The municipality will continue with efforts to enhance revenue and implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers over the MTREF period.

As per MFMA Circular 82 cost containment, measures will also be enhanced to cut expenditure cost.

National Treasury's MFMA circular No. 82, 93, 94,98,99 together with both the State of Nation Address, Budget Speech by the Minister of Finance and the State of the Province Address were used to guide the compilation of the 2021 – 2023 MTREF budget.

The main challenges experienced during the compilation of the 2021 - 2023 MTREF budget can be summarized as follows:

- ✓ Securing the health of the asset base (especially the revenue generating assets) by increasing spending on repairs and maintenance and renewal of assets;
- ✓ The need to prioritize projects and high expenditure rate within the existing resource envelope given the cash flow realities;
- ✓ A growing debtor's book;
- ✓ Wage increases for municipal staff that continues to exceed consumer inflation, as well as the need to fill critical vacancies with limited resources;

The following budget principles and guidelines directly informed the compilation of the 2020/21 MTREF period:

- ✓ The 2019/20 adjustments budget informed the preparation of the 2020/21 budget;
- ✓ The cost containment measures must be implemented to eliminate waste, reprioritize spending and ensure savings on six focus areas namely, consultancy fees, no credit cards, travel and related costs, advertising, catering and event costs as well as costs for accommodation.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2020/21 Medium-term Revenue and Expenditure Framework:

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

LIM345 Collins Chabane - Table A1 Budget Summary

Description	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands										
Financial Performance										
Property rates	-	15 931	33 937	22 961	30 961	30 961	(34 530)	32 385	33 874	35 433
Service charges	-	-	-	-	-	-	-	3 339	3 492	3 653
Investment revenue	-	12 508	11 677	9 052	3 000	3 000	8 686	14 190	14 843	15 526
Transfers recognised - operational	-	314 421	331 608	357 891	373 070	373 070	280 220	399 138	427 094	451 828
Other own revenue	-	(38 449)	16 324	8 680	21 097	21 097	(7 311)	10 799	11 295	11 815
Total Revenue (excluding capital transfers and contributions)	-	304 411	393 546	398 583	428 128	428 128	247 065	459 850	490 599	518 254
Employee costs	-	68 606	83 744	113 897	117 348	117 348	72 197	130 887	140 349	149 062
Remuneration of councillors	-	17 664	26 353	27 431	26 987	26 987	16 355	28 337	29 640	31 004
Depreciation & asset impairment	-	2 747	22 201	16 302	23 192	23 192	14 309	24 259	25 375	26 543
Finance charges	-	175	41	-	-	-	0	-	-	-
Materials and bulk purchases	-	3 385	9 015	7 233	9 090	9 090	4 598	11 115	11 626	12 161
Transfers and grants	-	2 441	23 998	5 978	7 707	7 707	-	7 789	8 138	8 503
Other expenditure	-	59 290	113 738	47 735	164 864	164 864	75 757	153 635	137 611	143 961
Total Expenditure	-	154 309	279 091	218 577	349 189	349 189	183 216	356 021	352 739	371 233
Surplus/(Deficit)	-	150 103	114 455	180 007	78 939	78 939	63 849	103 829	137 860	147 021
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	112 001	118 850	116 031	125 031	125 031	75 277	97 075	103 644	109 889
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	262 104	233 305	296 038	203 970	203 970	139 126	200 904	241 504	256 910
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	-	262 104	233 305	296 038	203 970	203 970	139 126	200 904	241 504	256 910
Capital expenditure & funds sources										
Capital expenditure	-	(136 284)	(143 266)	183 931	277 002	277 002	(4 312)	324 026	163 700	169 350
Transfers recognised - capital	-	(6 900)	(623)	93 031	118 276	118 276	79 863	104 975	7 000	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	(6 281)	(13 494)	90 900	158 726	158 726	39 800	219 051	156 700	169 350
Total sources of capital funds	-	(13 162)	(14 117)	183 931	277 002	277 002	119 664	324 026	163 700	169 350
Financial position										
Total current assets	-	391 657	509 895	493 712	308 574	308 574	1 596	261 337	245 631	255 408
Total non current assets	-	471 623	608 293	792 224	885 295	885 295	1 294 860	917 214	1 066 719	1 174 057
Total current liabilities	0	39 729	75 182	65 849	65 849	65 849	(22 904)	38 462	48 671	58 896
Total non current liabilities	-	125 744	127 441	5 292	5 292	5 292	122 148	122 331	123 790	124 876
Community wealth/Equity	-	685 131	912 870	1 214 795	1 122 727	1 119 535	139 364	1 017 757	1 139 888	1 245 693
Cash flows										
Net cash from (used) operating	-	452 498	230 381	300 964	210 186	210 186	812 504	186 771	243 990	260 091
Net cash from (used) investing	-	(136 179)	(149 293)	(200 233)	(300 194)	(300 194)	(786 756)	(300 771)	(244 775)	(252 090)
Net cash from (used) financing	-	5 650	(329)	-	-	-	6 634	-	-	-
Cash/cash equivalents at the year end	-	508 302	451 289	431 687	240 948	240 948	1 704	207 785	207 000	215 000
Cash backing/surplus reconciliation										
Cash and investments available	-	370 530	453 367	431 687	240 948	240 948	-	207 785	207 000	215 000
Application of cash and investments	0	16 032	39 153	22 857	17 051	17 051	(22 531)	14 405	29 926	39 242
Balance - surplus (shortfall)	(0)	354 498	414 214	408 830	223 897	223 897	22 531	193 379	177 074	175 758
Asset management										
Asset register summary (WDV)	-	310 806	434 400	792 224	865 495	865 495	865 495	271 940	61 825	34 807
Depreciation	-	2 747	22 201	16 302	23 192	23 192	23 192	24 259	25 375	26 543
Renewal and Upgrading of Existing Assets	-	670	(13 412)	23 284	40 072	40 072	40 072	58 471	8 000	12 000
Repairs and Maintenance	-	(3 847)	(5 145)	152	12 644	12 644	12 644	10 156	9 543	10 163
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	3 766	3 766	3 939	4 120
Households below minimum service level										
Water:	20	20	20	20	20	20	20	20	20	20
Sanitation/sewerage:	14	14	14	14	14	14	14	14	14	14
Energy:	6	6	6	6	6	6	6	6	6	6
Refuse:	88	88	88	88	88	88	88	88	88	88

**Old DCO Building
Hospital Roads
Malamulele
0982**



**Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097**

As shown on the Table A1 (Summary) above, the total revenue excluding the capital grants and subsidies is R459, 850 million, R490,599 million and R518,254 million for the financial years 2020/21,2021/22 and 2022/23 respectively.

And The operational grants for the same period are R97, 075 million, R103,644 million and R109,889 million respectively.

The operational expenditure is R356, 021 million, R352,739 million and R371,233 million for the 2020/21,2021/22 and 2022/23 financial years respectively.

The community wealth will be R1, 017,757 billion, R 1, 139,888 billion and R1, 245, 693 billion for the MTREF period. The Cash/Cash equivalents at the end of 2020/21, 2021/22 and 2022/23 is forecast at R207,785 million, R207,000 million and R215, 000 million respectively. As part of asset management, the municipality has budgeted R68, 627 million for the renewal/upgrading and repairs and maintenance of existing assets.

The municipality will also provide for free basic services for its indigent households amounting to R3,8 million, R3,9 million and R4,1 million for the financial years 2020/21, 2021/22, and 2022/2023 respectively.

Detailed will follow in the Table A2 to Table A10 with its supporting tables.

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

LIM345 Collins Chabane - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional										
<i>Governance and administration</i>		-	323 348	390 428	389 508	418 209	418 209	446 432	477 778	504 843
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	323 348	390 428	389 508	418 209	418 209	446 432	477 778	504 843
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	79	512	-	343	343	125	131	137
Community and social services		-	79	141	-	343	343	125	131	137
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	371	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	95 993	108 054	115 106	124 606	124 606	91 429	97 842	103 510
Planning and development		-	95 993	103 292	107 522	117 022	117 022	83 496	89 544	94 830
Road transport		-	-	4 762	7 584	7 584	7 584	7 933	8 298	8 679
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	16 097	13 192	13 192	13 192	18 939	18 492	19 653
Energy sources		-	-	17 000	10 000	10 000	10 000	15 600	15 000	16 000
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	(903)	3 192	3 192	3 192	3 339	3 492	3 653
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	419 419	515 091	517 806	556 351	556 351	556 925	594 243	628 143
Expenditure - Functional										
<i>Governance and administration</i>		-	104 702	175 688	135 594	238 063	238 063	234 474	247 284	260 187
Executive and council		-	26 259	44 140	45 572	49 929	49 929	44 771	46 744	49 329
Finance and administration		-	78 242	129 956	87 831	180 230	180 230	181 657	196 785	206 885
Internal audit		-	201	1 592	2 192	7 903	7 903	8 046	3 755	3 973
<i>Community and public safety</i>		-	13 505	20 767	10 328	15 433	15 433	13 215	14 011	14 786
Community and social services		-	221	6 851	3 420	4 542	4 542	4 071	4 312	4 498
Sport and recreation		-	10	270	1 411	476	476	1 082	1 148	1 218
Public safety		-	13 274	13 647	5 497	10 415	10 415	8 062	8 551	9 070
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	18 963	48 466	44 999	76 476	76 476	77 454	59 077	62 053
Planning and development		-	7 961	34 119	15 244	36 635	36 635	40 653	18 771	19 437
Road transport		-	11 002	14 346	29 221	39 841	39 841	36 143	39 606	41 941
Environmental protection		-	-	-	535	-	-	659	700	675
<i>Trading services</i>		-	17 139	34 170	27 655	19 218	19 218	30 878	32 367	34 206
Energy sources		-	110	22 407	6 130	5 721	5 721	7 284	7 654	8 042
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	17 030	11 762	21 525	13 497	13 497	23 594	24 713	26 164
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	154 309	279 091	218 577	349 189	349 189	356 021	352 739	371 233
Surplus/(Deficit) for the year		-	265 111	236 000	299 230	207 162	207 162	200 904	241 504	256 910

Table A2 above is Budgeted Financial Performance (Revenue and Expenditure by Functional Classification) With Table A3 and Table A4 showing Budgeted Financial Performance by Municipal Votes and Budgeted Financial Performance by individual items respectively.

As shown on Table A2 above, the total revenue for the MTREF period is R556,925 million, R594,243 million and R628,143 million in the 2020/21, 2021/22 and 2022/23 financial years respectively. The highest amount is on the Governance Admin with R446,432 million, R477,778 million and R504,843 million in the same periods. The huge amounts on the Governance Administration is mainly due to operational grants, property rates, interest earned, and other revenue as reflected under finance function on Table A3 below and detailed on Table A4 that also follows below.

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

Planning and Development where the Project Management Unit (PMU) falls also shows huge amounts due to MIG that is budgeted under that function. In the 2020/21 financial year, the revenue budgeted under Planning and Development is R83,496 million followed by R89,544 million and R94,830 million in the 2021/22 and 2022/23 financial year respectively.

Included under Planning and Development is amount of R81,475 million, R88,644 million and R93,889 million for MIG in the financial years 2020/21, 2021/22 and 2022/23 financial years respectively which also shown on Vote 6 (Table A3) below and detailed on Table A4 (Transfers and Subsidies-Capital). The R15,6 million, R15 million and R16 million for 2020/21, 2021/22 and 2022/23 financial years respectively is budgeted under Trading Services and this is for Integrated National Electrification Grants for the electrification projects which when completed, will be handed over to ESKOM as the Collins Chabane Local Municipality does not have license for the provision of electricity.

As shown on Table A2 above, Revenue increased with 8.0%, 0.10%, 6.7% and 5.7% on year to year from the 2018/19 financial year to the 2022/23 financial year. The increase is mainly due to increase in operation revenue grants and property rates as the municipality will be implementing other revenue maximizing mechanism in the 2020/21 to 2022/23 financial years, detailed which will be dealt with under expenditure as reflected on Table A4 together with its supporting tables.

The operational expenditure budget is R356,021 million, R352,739 million and R371,233 million in the 2020/21, 2021/22 and 2022/23 financial years respectively.

The details are shown on Table A3 below together with its supporting tables.

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

LIM345 Collins Chabane - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Revenue by Vote	1									
Vote 1 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 2 - COMMUNITY SERVICES		-	79	(391)	3 192	3 535	3 535	3 464	3 623	3 790
Vote 3 - SPATIAL PLANNING & DEVELOPMENT		-	-	308	322	822	822	860	900	941
Vote 4 - BUDGET & TREASURY		-	323 348	390 428	389 508	418 209	418 209	446 432	477 778	504 843
Vote 5 - TECHNICAL SERVICES		-	95 993	124 746	124 784	133 784	133 784	106 169	111 942	118 568
Vote 6 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 7 - Null		-	-	-	-	-	-	-	-	-
Vote 8 - Null		-	-	-	-	-	-	-	-	-
Vote 9 - Null		-	-	-	-	-	-	-	-	-
Vote 10 - Null		-	-	-	-	-	-	-	-	-
Vote 11 - Null		-	-	-	-	-	-	-	-	-
Vote 12 - Null		-	-	-	-	-	-	-	-	-
Vote 13 - Null		-	-	-	-	-	-	-	-	-
Vote 14 - Null		-	-	-	-	-	-	-	-	-
Vote 15 - Null		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	419 419	515 091	517 806	556 351	556 351	556 925	594 243	628 143
Expenditure by Vote to be appropriated	1									
Vote 1 - CORPORATE SERVICES		-	57 306	89 244	60 955	102 552	102 552	100 627	111 834	118 029
Vote 2 - COMMUNITY SERVICES		-	36 654	33 700	33 925	33 174	33 174	41 424	43 553	46 001
Vote 3 - SPATIAL PLANNING & DEVELOPMENT		-	6 661	30 432	13 938	30 294	30 294	39 305	17 345	17 927
Vote 4 - BUDGET & TREASURY		-	32 480	70 570	57 352	102 418	102 418	107 990	113 538	119 152
Vote 5 - TECHNICAL SERVICES		-	12 400	39 407	37 279	51 918	51 918	45 330	49 277	52 054
Vote 6 - OFFICE OF THE MUNICIPAL MANAGER		-	8 807	15 738	15 128	28 834	28 834	21 345	17 192	18 070
Vote 7 - Null		-	-	-	-	-	-	-	-	-
Vote 8 - Null		-	-	-	-	-	-	-	-	-
Vote 9 - Null		-	-	-	-	-	-	-	-	-
Vote 10 - Null		-	-	-	-	-	-	-	-	-
Vote 11 - Null		-	-	-	-	-	-	-	-	-
Vote 12 - Null		-	-	-	-	-	-	-	-	-
Vote 13 - Null		-	-	-	-	-	-	-	-	-
Vote 14 - Null		-	-	-	-	-	-	-	-	-
Vote 15 - Null		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	154 309	279 091	218 577	349 189	349 189	356 021	352 739	371 233
Surplus/(Deficit) for the year	2	-	265 111	236 000	299 230	207 162	207 162	200 904	241 504	256 910

Table A3 above, shows income and operational expenditure by municipal votes.

Details of the revenue source are shown on the Table A4 below.

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

LIM345 Collins Chabane - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source											
Property rates	2	–	15 931	33 937	22 961	30 961	30 961	(34 530)	32 385	33 874	35 433
Service charges - electricity revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	2	–	–	–	–	–	–	–	3 339	3 492	3 653
Rental of facilities and equipment		–	(725)	47	–	253	253	14	31	32	34
Interest earned - external investments		–	12 508	11 677	9 052	3 000	3 000	8 686	14 190	14 843	15 526
Interest earned - outstanding debtors		–	–	65	–	–	–	–	–	–	–
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	3	371	–	620	620	358	620	649	679
Licences and permits		–	3 765	2 796	5 729	5 729	5 729	432	5 784	6 050	6 329
Agency services		–	–	2 138	2 054	2 054	2 054	1 419	2 149	2 247	2 351
Transfers and subsidies		–	314 421	331 608	357 891	373 070	373 070	280 220	399 138	427 094	451 828
Other revenue	2	–	4 229	1 340	897	12 441	12 441	(9 534)	2 214	2 316	2 423
Gains		–	(45 721)	9 568	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		–	304 411	393 546	398 583	428 128	428 128	247 065	459 850	490 599	518 254
Expenditure By Type											
Employee related costs	2	–	68 606	83 744	113 897	117 348	117 348	72 197	130 887	140 349	149 062
Remuneration of councillors		–	17 664	26 353	27 431	26 987	26 987	16 355	28 337	29 640	31 004
Debt impairment	3	–	–	6 771	2 500	10 537	10 537	–	11 022	11 529	12 059
Depreciation & asset impairment	2	–	2 747	22 201	16 302	23 192	23 192	14 309	24 259	25 375	26 543
Finance charges		–	175	41	–	–	–	0	–	–	–
Bulk purchases	2	–	–	–	–	–	–	–	–	–	–
Other materials	8	–	3 385	9 015	7 233	9 090	9 090	4 598	11 115	11 626	12 161
Contracted services		–	37 251	74 967	11 912	82 411	82 411	45 865	72 292	52 413	54 839
Transfers and subsidies		–	2 441	23 998	5 978	7 707	7 707	–	7 789	8 138	8 503
Other expenditure	4, 5	–	22 040	32 000	33 322	71 916	71 916	29 893	70 321	73 669	77 063
Losses		–	–	–	–	–	–	–	–	–	–
Total Expenditure		–	154 309	279 091	218 577	349 189	349 189	183 216	356 021	352 739	371 233
Surplus/(Deficit)											
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		–	150 103	114 455	180 007	78 939	78 939	63 849	103 829	137 860	147 021
		–	112 001	118 850	116 031	125 031	125 031	75 277	97 075	103 644	109 889
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	6	–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		–	262 104	233 305	296 038	203 970	203 970	139 126	200 904	241 504	256 910
Taxation		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		–	262 104	233 305	296 038	203 970	203 970	139 126	200 904	241 504	256 910
Attributable to minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		–	262 104	233 305	296 038	203 970	203 970	139 126	200 904	241 504	256 910
Share of surplus/ (deficit) of associate	7	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year		–	262 104	233 305	296 038	203 970	203 970	139 126	200 904	241 504	256 910

1.2 OPERATING REVENUE FRAMEWORK

Collins Chabane Local Municipality to continue improving the quality of services to its citizens, it needs to generate the required revenue. In these tough economic conditions, strong revenue management is fundamental to the financial sustainability

of any municipality. The reality is that we are faced with development backlogs, poverty, inequality, unemployment and old infrastructure. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues. The revenue base for the municipality for service charges' tariffs excluding electricity and rates and taxes have increased by 4.9 per cent.

The municipality's revenue strategy is built around the following key components:

- ✓ National Treasury's guidelines and macroeconomic policy;
- ✓ Growth in the Municipality and continued economic development;
- ✓ Efficient revenue management which aims to ensure maximum annual collection rate for property rates and other key service charges;
- ✓ Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- ✓ The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act; 2004 (Act 6 of 2004) (MPRA) as amended.
- ✓ Increased ability to extend new services and recover costs.
- ✓ The municipality's Indigent Policy and rendering of free basic services.
- ✓ Enforcement of the credit control and debt collection policy

As shown on Table A4 above, 2021 - 2023 MTREF budget (Classified by main revenue source), and the main sources of revenue are:

Description	2020/2021 financial year	2021/2022 financial year	2022/2023 financial year
Property rates	R 32, 4 million	R 33, 9 million	R 35, 4 million
Service charges - refuse revenue	R3,3 million	R3,5 million	R3,7 million
Interest earned from Bank	R14,2 million	R14, 8 million	R15,5 million
Licenses and permits	R5,8 million	R6.1 million	R6,3 million
Transfers and subsidies (operational)	R 399,138 million	R 427,094 million	R 451,828 million

The municipality has set aside budget in the MTREF period to formalized developed area (Saselamani) within the municipality to increase revenue base in the form of property rates and other services charges. Furthermore, budget has been set aside for the upgrading of the Malamulele Testing Station, Construction of the municipal landfill site and the purchase of additional Plant and machinery in order to increase revenue through increased collection, which will result in increased services charges.

The tariff charges for refuse removal have been adjusted to be cost reflective as the municipality is presently providing the service at a loss.

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

The above table includes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality, mainly the exemption of R15 000 on the value of residential property.

Other revenue consists of various items such as income received from agency fees, building plan fees, cemetery fees, sale of grave sites and rental of facilities.

Departments have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related.

User / Levied Charges

- ☐ Basic Refuse = R 15.78
- ☐ Basic refuse Per Bin = R 74.67
 - Government= R 185.40
 - Commercial = R 185.40
 - Industrial = R185.40

Rates:-

- ✓ Rural Development farms = 0.0021
- ✓ Agriculture (commercial) = 0.0021
- ✓ Agriculture (Residential) = 0.0085
- ✓ Business and Commercial = 0.0170
- ✓ Industrial = 0.0170
- ✓ Residential = 0.0085
- ✓ State Owned Properties =0.0170
- ✓ Vacant land = as per category and land value
- ✓ Other tariffs such as hiring of machinery, town halls and Graveyard are 4.9%

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, salary and wage increases, other input costs of services provided by the municipality and the affordability of services were considered to ensure the financial sustainability of the municipality.

It must be emphasized that the consumer price index; as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities.

The basket of goods and services utilized for the calculation of the CPI consist of items like food, petrol and medical services. Whereas items such as the cost of remuneration, and fuel inform the cost drivers of municipalities. The current challenge facing the municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational gains or service level reductions. Within this framework, the municipality has undertaken the tariff setting process relating to service charges as follows:

1.2.1 Property Rates

Property rates cover the cost of the provision of general services. Determining effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. The implementation of these regulations was done in the 2010/11 budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA).
- 100% rebate will be granted to registered indigents in terms of the Indigent Policy;
- For pensioners, physically and mentally disabled persons, the rebate is granted on a sliding scale basis depending the income category of the registered owners/owner and the threshold of 2 times old age grant is applicable to this category.

The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependents without income;

- ✓ the applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension; and the property must be categorized as residential.

1.2.2 Waste Removal and Impact on Tariff Increase

A 4.9% increase in the waste removal tariffs is proposed from 1 July 2020 to keep the service sustainable.

The Qualified indigent on property rates will not be exempted full rate for refuse removal but half of the refuse removal for non-qualifiers as indigent will be charged to indigent.

1.3 Operating Expenditure Framework

The municipality's expenditure framework for the proposed 2020/21 MTREF budget, is informed by the following factors:

- ✓ The filling of vacant position in the municipality;
- ✓ The repairs and maintenance backlogs.
- ✓ Funding of the budget over the medium-term as informed by section 18 and 19 of MFMA.
- ✓ Operational gains and efficiencies will be directed to avoid a deficit.
- ✓ Strict adherence to the procurement plan. If there is no procurement plan no funding allocation can be made.

The budget allocation for employee related costs (including remuneration of councilors) for the 2020/21 financial year totals R159, 223 million, which is 44,72 % of the total operating expenditure. Based on NT Circular 99 guideline salaries will increase by 6.25% in the 2020/21 year.

The provision of debt impairment was determined based on an expected collection rate of 20% and the writing off interest on outstanding debtors. Adherence to the debt collection policy is monitored continuously through the year. The collection of outstanding debt and increasing the payment rate of consumers will be one of the main priorities for the 2020/21 to 2022/23 MTREF period.

Expenditure by type	2020/21 Financial year	2021/22 Financial year	2022/23 Financial year
Employee related cost	R 130,887 million	R 140,349 million	R 149,062 million
Remuneration of councillors	R 28,337 million	R 29,640 million	R 31,004 million
Debt impairment	R 11,022 million	R 11,529 million	R 12,059 million
Depreciation & Asset impairment	R 24,259 million	R 25,375 million	R 26,543 million
Other materials	R 11,115 million	R 11,626 million	R 12,161 million
Contracted Services	R 72,292 million	R 52,513 million	R 54,839 million

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

Transfers and subsidies	R 7,789 million	R8,138 million	R8,503 million
Other expenditure	R 70,321 million	R 73,669 million	R77,063 million

Depreciation is widely considered a proxy for the measurement of the rate of asset consumption. Budget appropriations in this regard total R 24,259 million for the 2020/21 financial year and equates to 6,81% of the total operating expenditure. The Municipality has fully implemented GRAP 17 during the 2016/2017 financial year.

Employee Salaries and Allowances

Overall increase of, is due to the provision to fill vacant positions and the 6.25% as per National Treasury Circular 99. Not all posts on the organogram were budgeted for in the next financial year due to budget constraints.

Employee Social Contributions

Employees Social Contributions have increased by 6.25%. This is as a result of the higher increase in medical aid costs and the proving to fill vacant position.

Other Expenditure

General expenditure have increased overall, with the biggest contribution the expenditure on Free Basic Services:

- ☐ Property rates = R 3,138 million
- ☐ Basic Refuse = R 627 thousand

Several of the other expenditure votes have not been increase as per decision of senior management not to increase the whole budget with the 4.6% inflation increase to curb cost on expenditure. Departments were requested to submit zero based budgets with the necessary proof of evidence. Increases that were not supported by the necessary proof of evidence were also limited.

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

LIM 345 Collins Chabane - Supporting Table SA38 Consolidated detailed operational projects

R thousand		2020/21 Medium Term Revenue & Expenditure Framework		
		Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Function	Project Description			
Parent municipality: <i>List all operational projects grouped by Function</i>				
Corporate Wide Strategic Planning (I	To conduct a collins chabane Business EXPO	1 000	1 046	1 094
	Libra campaign brochure	100	–	–
	Catering Services MM Public Participation Catering	381	398	416
	Strategic Planning session	500	523	547
	Cooperative support	2 000	2 092	2 188
	conduct feasibility study on the identification of heritage sites	500	–	–
Town Planning Building Regulations	Naming of streets in vuwani	1 000	–	–
	Performance Bonus	1 000	–	–
	Formalization and proclamation of settlements Saselamani	5 000	–	–
	Review of the Spatial Development Framework (SDF)	500	–	–
	Township Establishment of Portion 10 of the farm Malamulele 234LT	2 000	–	–
	Finalization of the registration of malamulele business park,B Ext 1&2 and D Ext 1	800	–	–
	Supplementary of valuation roll across the municipality	1 500	–	–
	Business and Financial Management Plan & Dev SPLUMA Demarcation of S	2 000	–	–
Solid Waste Removal: Solid Waste M	Development of waste by-laws	100	–	–
	Environmental cleaning programme (Good Green Deed Campaign)	150	–	–
Information Technology: Information	Development of Electronic Document Management Strategy and Plan	100	–	–
	Data line	150	–	–
	Business and Financial Management IT ICT Professionals Consulting	5 585	5 842	6 111
	ICT Maintenance & Support	2 200	–	–
	Mimecast implementation	600	–	–
Marketing Customer Relations Publicity and Media Co-ordination: Communications & Events Management (209)				
	Mayoral Imbizos	2 092	2 188	2 289
Police Forces Traffic and Street Parki	Arrive alive activities	100	105	109

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

Municipal Manager Town Secretary and Chief Executive: Office of the Municipal Manager (102)				
	Social Relief disaster relief materials	200	200	200
	Bursaries (Non-Employee) MM Establishment of Bursary Fund	2 092	2 188	2 289
Administrative and Corporate Support				
	Uniform for new employees	600	628	656
	Consolidation of switchboard	100	—	—
	Computer Equipment Lease / Rental	2 559	2 676	2 799
	Municipal Services Electricity And Water	5 021	5 252	5 493
	Business and Financial Management Corp Serv Dev of Records Management System			
	Business and Financial Management HR Dev of Performance Management System			
Asset Management: Asset Management	Business and Financial Management Asset Man GRAP Compliant Asset register	3 556	3 720	3 891
Budget and Treasury Office: Budget				
	Accounting and Auditing Budget & Treas Financial reporting & advisory services	11 383	11 906	12 454
	External Audit Fees	5 575	5 831	6 099
Governance Function: Internal Audit	Accounting and Auditing Governance Audit Committees	900	941	985
Human Resources: Human Resources	EAP(FIRST AID,PROFESSIONAL SERVICES AND WELLNESSDAY)	800	837	875
Legal Services: Legal Services (208)				
	Legal Advice and Litigation Legal Services Legal Costs	5 000	5 230	5 471
Security Services: Security Services				
	Security Services Security Services Security Services	13 393	14 009	14 653
	Catering Services	2 220	2 322	2 429
	General expenditure	273 266	284 804	300 183
Parent Operational expenditure		356 021	352 739	371 233

As shown on Table SA38 above, the following are some of the major operational projects budgeted for:

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

Description	Amount
Cooperative support	R2 million
Formalization and proclamation of settlements Saselamani	R5 million
Township Establishment of Portion 10 of the farm Malamulele 234LT	R2 million
Supplementary valuation roll	R1,5 million
Demarcation of sites	R2 million
ICT Professionals Consulting	R5,6 million
ICT Maintenance & Support	R2,2 million
Mayoral Imbizos	R2 million
Bursary fund	R2 million
Legal costs	R5 million
GRAP Compliance Asset Register	R3,6 million

1.4 Capital Expenditure Framework

Table A5 below shows the capital expenditure budget for the MTREF period ending 2021/23 financial year

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 2 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 3 - SPATIAL PLANNING & DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
Vote 4 - BUDGET & TREASURY		-	-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 6 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-
Vote 7 - Null		-	-	-	-	-	-	-	-	-	-
Vote 8 - Null		-	-	-	-	-	-	-	-	-	-
Vote 9 - Null		-	-	-	-	-	-	-	-	-	-
Vote 10 - Null		-	-	-	-	-	-	-	-	-	-
Vote 11 - Null		-	-	-	-	-	-	-	-	-	-
Vote 12 - Null		-	-	-	-	-	-	-	-	-	-
Vote 13 - Null		-	-	-	-	-	-	-	-	-	-
Vote 14 - Null		-	-	-	-	-	-	-	-	-	-
Vote 15 - Null		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - CORPORATE SERVICES		-	(1 230)	(10 817)	37 500	50 493	50 493	15 718	46 300	30 000	40 000
Vote 2 - COMMUNITY SERVICES		-	8 438	35 909	45 284	40 791	40 791	59 604	58 539	8 000	-
Vote 3 - SPATIAL PLANNING & DEVELOPMENT		-	(120 000)	(121 103)	-	-	-	(120 019)	-	-	-
Vote 4 - BUDGET & TREASURY		-	45 003	71 805	2 600	4 993	4 993	72 076	6 681	2 200	1 350
Vote 5 - TECHNICAL SERVICES		-	(67 986)	(118 551)	98 547	180 724	180 724	(31 182)	212 505	123 500	128 000
Vote 6 - OFFICE OF THE MUNICIPAL MANAGER		-	(509)	(509)	-	-	-	(509)	-	-	-
Vote 7 - Null		-	-	-	-	-	-	-	-	-	-
Vote 8 - Null		-	-	-	-	-	-	-	-	-	-
Vote 9 - Null		-	-	-	-	-	-	-	-	-	-
Vote 10 - Null		-	-	-	-	-	-	-	-	-	-
Vote 11 - Null		-	-	-	-	-	-	-	-	-	-
Vote 12 - Null		-	-	-	-	-	-	-	-	-	-
Vote 13 - Null		-	-	-	-	-	-	-	-	-	-
Vote 14 - Null		-	-	-	-	-	-	-	-	-	-
Vote 15 - Null		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	(136 284)	(143 266)	183 931	277 002	277 002	(4 312)	324 026	163 700	169 350
Total Capital Expenditure - Vote		-	(136 284)	(143 266)	183 931	277 002	277 002	(4 312)	324 026	163 700	169 350
Capital Expenditure - Functional											
Governance and administration		-	43 264	60 479	40 100	55 487	55 487	87 285	52 981	32 200	41 350
Executive and council		-	(509)	(509)	-	-	-	618	-	-	-
Finance and administration		-	43 773	60 987	40 100	55 487	55 487	86 667	52 981	32 200	41 350
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		-	8 438	43 654	33 284	34 278	34 278	62 906	37 289	8 000	-
Community and social services		-	-	(3 667)	20 000	21 400	21 400	9 596	16 850	5 000	-
Sport and recreation		-	8 438	47 321	13 284	12 878	12 878	53 310	20 244	3 000	-
Public safety		-	0	0	-	-	-	-	196	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		-	(169 886)	(207 675)	90 547	108 895	108 895	(137 178)	102 850	92 500	96 000
Planning and development		-	(120 000)	(116 491)	-	-	-	(115 407)	2 950	19 000	-
Road transport		-	(49 886)	(91 184)	90 547	108 895	108 895	(21 771)	99 900	73 500	96 000
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		-	(18 100)	(39 724)	20 000	78 342	78 342	(17 324)	130 905	31 000	32 000
Energy sources		-	(18 100)	(31 979)	8 000	71 829	71 829	(14 023)	108 455	31 000	32 000
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	(0)	(7 745)	12 000	6 513	6 513	(3 301)	22 450	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	-	(136 284)	(143 266)	183 931	277 002	277 002	(4 312)	324 026	163 700	169 350
Funded by:											
National Government		-	(6 900)	(623)	93 031	118 276	118 276	79 863	104 975	7 000	-
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	-	(6 900)	(623)	93 031	118 276	118 276	79 863	104 975	7 000	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	(6 261)	(13 494)	90 900	158 726	158 726	39 800	219 051	156 700	169 350
Total Capital Funding	7	-	(13 162)	(14 117)	183 931	277 002	277 002	119 664	324 026	163 700	169 350

Table A5 above shows the budgeted Capital Expenditure with projects implemented over the MTREF period. The Capital budget is divided into three as shown below, namely capital expenditure on new assets (Table SA34a), Capital expenditure on the renewal of existing assets (Table SA34b) and the capital expenditure on upgrading of existing assets (Table SA34e).

Table SA36 below shows detailed capital projects to be implemented over the MTREF period. The following are some of the projects to be implemented over the MTREF period:

Description	Amount 2020/21 financial year	Comments
Electrification of Mbuti Phase 2 and Dovheni, Makahlule, Makhasa, Khakhanwa	R15.6 million	R31 million budgeted for the other villages over 2 outer years as shown on Table SA36
Davhana Stadium	R7,3 million	The total budget for Davhana Stadium over the 3-year period is R45 million. The project will be completed in 2020/21 f/y
Municipal Building	R40 million	The total budget over the MTREF period is R120 million.
Malamulele Stadium	R20,2 million	R10 million will be MIG funded, and R10.2 million will be funded internally.
Sasekani Ring Road	R4 million	Multi year project. No outer year budget as the project is nearing completion.
Xitlhelani graveyard road	R18.5 million	The project had a budget of R1

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

		million rand in 2019/20 Financial year for planning.
N'wamatatana Ring Road	R20 million	The project will be funded from MIG (R15 million) and internally at R5 million.
Upgrading of Sebudi/Vyeboom road phase 2	R34 million	
Highmasts lights	R15,4 million	R36 million budgeted in the outer years.
installation of solar traffic lights at saselamani, Vuwani, Hlanganani, Mhinga, Moriri and Bungeni or Njhaka cross	R12,6 million	Solar traffic lights have been budget in order to reduce electricity costs.
Upgrade of Malamulele Traffic Station	R10 million	The traffic station had a budget of R5 million in 2019/20 Financial year.
Xigalo Landfill site	R20 million	The landfill site is funded by MIG (R10 million) and internally at R10 million.

The renewal of existing assets budget relates to the re-building of some streets in Malamulele Township as they have reached a stage of no repair.

In addition to the projects listed above, the municipality will continue with the purchase of plant and machinery which include skip loader, 4 Tipper trucks, TLB, bed truck, cherry picker, Grader and Front-end loader with a budget of R 21,5 million for sustainable service delivery provision.

The municipality has budget R24,259 million, R25,375 million and R26,543 million for the MTREF period starting in the 2020/21 to 2022/23 financial year as shown on Table SA34d below for the depreciation on assets.

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

LIM345 Collins Chabane - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		–	(8 714)	(50 210)	87 747	119 565	119 565	164 157	91 500	116 000
	Roads Infrastructure	–	9 386	(10 477)	67 747	86 695	86 695	74 227	75 500	96 000
	Roads	–	9 386	(10 477)	67 747	86 095	86 095	72 527	75 500	96 000
	Road Structures	–	–	–	–	600	600	1 700	–	–
	Road Furniture	–	–	–	–	–	–	–	–	–
	Capital Spares	–	–	–	–	–	–	–	–	–
	Storm water Infrastructure	–	–	–	–	–	–	–	–	–
	Drainage Collection	–	–	–	–	–	–	–	–	–
	Storm water Conveyance	–	–	–	–	–	–	–	–	–
	Attenuation	–	–	–	–	–	–	–	–	–
	Electrical Infrastructure	–	(18 100)	(31 988)	8 000	26 358	26 358	67 480	16 000	20 000
	Power Plants	–	–	–	–	–	–	–	–	–
	HV Substations	–	–	–	–	–	–	–	–	–
	HV Switching Station	–	–	–	–	–	–	–	–	–
	HV Transmission Conductors	–	–	–	–	–	–	–	–	–
	MV Substations	–	–	–	–	–	–	–	–	–
	MV Switching Stations	–	–	–	–	–	–	–	–	–
	MV Networks	–	–	–	–	–	–	–	–	–
	LV Networks	–	(18 100)	(31 988)	8 000	26 358	26 358	67 480	16 000	20 000
	Capital Spares	–	–	–	–	–	–	–	–	–
	Water Supply Infrastructure	–	–	–	–	–	–	–	–	–
	Dams and Weirs	–	–	–	–	–	–	–	–	–
	Boreholes	–	–	–	–	–	–	–	–	–
	Reservoirs	–	–	–	–	–	–	–	–	–
	Pump Stations	–	–	–	–	–	–	–	–	–
	Water Treatment Works	–	–	–	–	–	–	–	–	–
	Bulk Mains	–	–	–	–	–	–	–	–	–
	Distribution	–	–	–	–	–	–	–	–	–
	Distribution Points	–	–	–	–	–	–	–	–	–
	PRV Stations	–	–	–	–	–	–	–	–	–
	Capital Spares	–	–	–	–	–	–	–	–	–
	Sanitation Infrastructure	–	–	–	–	–	–	–	–	–
	Pump Station	–	–	–	–	–	–	–	–	–
	Reticulation	–	–	–	–	–	–	–	–	–
	Waste Water Treatment Works	–	–	–	–	–	–	–	–	–
	Outfall Sewers	–	–	–	–	–	–	–	–	–
	Toilet Facilities	–	–	–	–	–	–	–	–	–
	Capital Spares	–	–	–	–	–	–	–	–	–
	Solid Waste Infrastructure	–	–	(7 745)	12 000	6 513	6 513	22 450	–	–
	Landfill Sites	–	–	(7 745)	12 000	4 013	4 013	20 000	–	–
	Waste Transfer Stations	–	–	–	–	–	–	–	–	–
	Waste Processing Facilities	–	–	–	–	–	–	–	–	–
	Waste Drop-off Points	–	–	–	–	2 500	2 500	2 450	–	–
	Waste Separation Facilities	–	–	–	–	–	–	–	–	–
	Electricity Generation Facilities	–	–	–	–	–	–	–	–	–
	Capital Spares	–	–	–	–	–	–	–	–	–
	Rail Infrastructure	–	–	–	–	–	–	–	–	–
Rail Lines	–	–	–	–	–	–	–	–	–	
Rail Structures	–	–	–	–	–	–	–	–	–	
Rail Furniture	–	–	–	–	–	–	–	–	–	
Drainage Collection	–	–	–	–	–	–	–	–	–	
Storm water Conveyance	–	–	–	–	–	–	–	–	–	
Attenuation	–	–	–	–	–	–	–	–	–	
MV Substations	–	–	–	–	–	–	–	–	–	
LV Networks	–	–	–	–	–	–	–	–	–	
Capital Spares	–	–	–	–	–	–	–	–	–	

**Old DCO Building
Hospital Roads
Malamulele
0982**



**Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097**

Coastal Infrastructure	-	-	-	-	-	-	-	-	-
Sand Pumps	-	-	-	-	-	-	-	-	-
Piers	-	-	-	-	-	-	-	-	-
Revetments	-	-	-	-	-	-	-	-	-
Promenades	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
Data Centres	-	-	-	-	-	-	-	-	-
Core Layers	-	-	-	-	-	-	-	-	-
Distribution Layers	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Community Assets	-	-	42 399	20 000	35 000	35 000	21 722	8 000	-
Community Facilities	-	-	1 640	20 000	23 000	23 000	9 400	8 000	-
Halls	-	-	-	10 000	13 000	13 000	-	-	-
Centres	-	-	(0)	5 000	4 000	4 000	3 500	-	-
Crèches	-	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	-	-	-	-	-	-	400	-	-
Police	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	2 000	2 000	-	3 000	-
Public Open Space	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-
Markets	-	-	(0)	5 000	4 000	4 000	5 500	5 000	-
Stalls	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	1 640	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	40 759	-	12 000	12 000	12 322	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	40 759	-	12 000	12 000	12 322	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-

**Old DCO Building
Hospital Roads
Malamulele
0982**



**Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097**

Other assets		-	(5 719)	(1 108)	30 000	45 000	45 000	41 950	49 000	40 000
Operational Buildings		-	(5 719)	(1 108)	30 000	45 000	45 000	41 950	49 000	40 000
Municipal Offices		-	(5 719)	(1 108)	30 000	45 000	45 000	41 950	49 000	40 000
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	(120 000)	(115 976)	-	8 571	8 571	4 500	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	(120 000)	(115 976)	-	8 571	8 571	4 500	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	(120 000)	(115 976)	-	8 571	8 571	4 500	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	329	1 500	7 500	7 500	3 300	-	-
Computer Equipment		-	-	329	1 500	7 500	7 500	3 300	-	-
Furniture and Office Equipment		-	499	542	-	-	-	-	-	-
Furniture and Office Equipment		-	499	542	-	-	-	-	-	-
Machinery and Equipment		-	405	(2 292)	19 400	20 583	20 583	24 627	6 000	1 350
Machinery and Equipment		-	405	(2 292)	19 400	20 583	20 583	24 627	6 000	1 350
Transport Assets		-	(3 425)	(3 538)	2 000	710	710	5 300	1 200	-
Transport Assets		-	(3 425)	(3 538)	2 000	710	710	5 300	1 200	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	-	(136 955)	(129 854)	160 647	236 930	236 930	265 555	155 700	157 350

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

LIM345 Collins Chabane - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

**Old DCO Building
Hospital Roads
Malamulele
0982**



**Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097**

Coastal Infrastructure	-	-	-	-	-	-	-	-	-
Sand Pumps	-	-	-	-	-	-	-	-	-
Piers	-	-	-	-	-	-	-	-	-
Revetments	-	-	-	-	-	-	-	-	-
Promenades	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
Data Centres	-	-	-	-	-	-	-	-	-
Core Layers	-	-	-	-	-	-	-	-	-
Distribution Layers	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Community Assets	-	-	-	-	800	800	-	-	-
Community Facilities	-	-	-	-	400	400	-	-	-
Halls	-	-	-	-	400	400	-	-	-
Centres	-	-	-	-	-	-	-	-	-
Crèches	-	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	400	400	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	400	400	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-

**Old DCO Building
Hospital Roads
Malamulele
0982**



**Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097**

Other assets	-	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-	-
Municipal Offices	-	-	-	-	-	-	-	-	-	-
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
Staff Housing	-	-	-	-	-	-	-	-	-	-
Social Housing	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-	-
Water Rights	-	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	-	-	-	-	-	-	-
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	1	-	-	-	-	800	800	-	-	-
Renewal of Existing Assets as % of total capex		0.0%	0.0%	0.0%	0.0%	0.3%	0.3%	0.0%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"		0.0%	0.0%	0.0%	0.0%	3.4%	3.4%	0.0%	0.0%	0.0%

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

LIM345 Collins Chabane - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		–	817	433	100	6 444	6 444	8 156	7 451	7 975
Roads Infrastructure		–	817	433	50	5 000	5 000	6 645	5 871	6 322
Roads		–	817	433	50	5 000	5 000	6 645	5 871	6 322
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	50	600	600	628	656	687
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	50	600	600	628	656	687
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Dams and Weirs		–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–
Distribution		–	–	–	–	–	–	–	–	–
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Pump Station		–	–	–	–	–	–	–	–	–
Reticulation		–	–	–	–	–	–	–	–	–
Waste Water Treatment Works		–	–	–	–	–	–	–	–	–
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	844	844	883	924	966
Landfill Sites		–	–	–	–	844	844	883	924	966
Waste Transfer Stations		–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–

**Old DCO Building
Hospital Roads
Malamulele
0982**



**Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097**

Rail Infrastructure	-	-	-	-	-	-	-	-	-
Rail Lines	-	-	-	-	-	-	-	-	-
Rail Structures	-	-	-	-	-	-	-	-	-
Rail Furniture	-	-	-	-	-	-	-	-	-
Drainage Collection	-	-	-	-	-	-	-	-	-
Storm water Conveyance	-	-	-	-	-	-	-	-	-
Attenuation	-	-	-	-	-	-	-	-	-
MV Substations	-	-	-	-	-	-	-	-	-
LV Networks	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-
Sand Pumps	-	-	-	-	-	-	-	-	-
Piers	-	-	-	-	-	-	-	-	-
Revetments	-	-	-	-	-	-	-	-	-
Promenades	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
Data Centres	-	-	-	-	-	-	-	-	-
Core Layers	-	-	-	-	-	-	-	-	-
Distribution Layers	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Community Assets	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
Halls	-	-	-	-	-	-	-	-	-
Centres	-	-	-	-	-	-	-	-	-
Crèches	-	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-

**Old DCO Building
Hospital Roads
Malamulele
0982**



**Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097**

Investment properties	-	-	-	-	-	-	-	-	-	
Revenue Generating	-	-	-	-	-	-	-	-	-	
Improved Property	-	-	-	-	-	-	-	-	-	
Unimproved Property	-	-	-	-	-	-	-	-	-	
Non-revenue Generating	-	-	-	-	-	-	-	-	-	
Improved Property	-	-	-	-	-	-	-	-	-	
Unimproved Property	-	-	-	-	-	-	-	-	-	
Other assets	-	(66)	(289)	-	-	-	-	-	-	
Operational Buildings	-	(66)	(289)	-	-	-	-	-	-	
Municipal Offices	-	(66)	(289)	-	-	-	-	-	-	
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-	
Building Plan Offices	-	-	-	-	-	-	-	-	-	
Workshops	-	-	-	-	-	-	-	-	-	
Yards	-	-	-	-	-	-	-	-	-	
Stores	-	-	-	-	-	-	-	-	-	
Laboratories	-	-	-	-	-	-	-	-	-	
Training Centres	-	-	-	-	-	-	-	-	-	
Manufacturing Plant	-	-	-	-	-	-	-	-	-	
Depots	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
Housing	-	-	-	-	-	-	-	-	-	
Staff Housing	-	-	-	-	-	-	-	-	-	
Social Housing	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
Intangible Assets	-	-	-	-	-	-	-	-	-	
Servitudes	-	-	-	-	-	-	-	-	-	
Licences and Rights	-	-	-	-	-	-	-	-	-	
Water Rights	-	-	-	-	-	-	-	-	-	
Effluent Licenses	-	-	-	-	-	-	-	-	-	
Solid Waste Licenses	-	-	-	-	-	-	-	-	-	
Computer Software and Applications	-	-	-	-	-	-	-	-	-	
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-	
Unspecified	-	-	-	-	-	-	-	-	-	
Computer Equipment	-	-	-	-	1 200	1 200	-	-	-	
Computer Equipment	-	-	-	-	1 200	1 200	-	-	-	
Furniture and Office Equipment	-	(0)	(120)	-	-	-	-	-	-	
Furniture and Office Equipment	-	(0)	(120)	-	-	-	-	-	-	
Machinery and Equipment	-	(4 598)	(5 376)	-	-	-	-	-	-	
Machinery and Equipment	-	(4 598)	(5 376)	-	-	-	-	-	-	
Transport Assets	-	-	206	52	5 000	5 000	2 000	2 092	2 188	
Transport Assets	-	-	206	52	5 000	5 000	2 000	2 092	2 188	
Land	-	-	-	-	-	-	-	-	-	
Land	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	
Total Repairs and Maintenance Expenditure	1	-	(3 847)	(5 145)	152	12 644	12 644	10 156	9 543	10 163
R&M as a % of PPE		0.0%	-0.8%	-0.9%	0.0%	1.5%	1.5%	0.8%	1.1%	1.0%
R&M as % Operating Expenditure		0.0%	-2.5%	-1.8%	0.1%	3.6%	3.6%	5.5%	2.7%	2.9%

**Old DCO Building
Hospital Roads
Malamulele
0982**



**Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097**

LIM345 Collins Chabane - Supporting Table SA34d Depreciation by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
<u>Depreciation by Asset Class/Sub-class</u>										
<u>Infrastructure</u>		-	-	4 889	7 442	11 442	11 442	11 968	12 519	13 095
Roads Infrastructure		-	-	4 737	7 203	11 203	11 203	11 718	12 257	12 821
Roads		-	-	4 737	7 203	11 203	11 203	11 718	12 257	12 821
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	152	240	240	240	251	262	274
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	152	240	240	240	251	262	274
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

**Old DCO Building
Hospital Roads
Malamulele
0982**



**Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097**

Rail Infrastructure	-	-	-	-	-	-	-	-	-
Rail Lines	-	-	-	-	-	-	-	-	-
Rail Structures	-	-	-	-	-	-	-	-	-
Rail Furniture	-	-	-	-	-	-	-	-	-
Drainage Collection	-	-	-	-	-	-	-	-	-
Storm water Conveyance	-	-	-	-	-	-	-	-	-
Attenuation	-	-	-	-	-	-	-	-	-
MV Substations	-	-	-	-	-	-	-	-	-
LV Networks	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-
Sand Pumps	-	-	-	-	-	-	-	-	-
Piers	-	-	-	-	-	-	-	-	-
Revetments	-	-	-	-	-	-	-	-	-
Promenades	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
Data Centres	-	-	-	-	-	-	-	-	-
Core Layers	-	-	-	-	-	-	-	-	-
Distribution Layers	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Community Assets	-	-	10 492	2 877	4 477	4 477	4 683	4 898	5 124
Community Facilities	-	-	10 492	2 877	4 477	4 477	4 683	4 898	5 124
Halls	-	-	3 916	2 877	4 477	4 477	4 683	4 898	5 124
Centres	-	-	-	-	-	-	-	-	-
Crèches	-	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	6 576	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-

**Old DCO Building
Hospital Roads
Malamulele
0982**



**Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097**

Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Indoor Facilities									
Outdoor Facilities									
Capital Spares									
Heritage assets	-	-	-	-	-	-	-	-	-
Monuments									
Historic Buildings									
Works of Art									
Conservation Areas									
Other Heritage									
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property									
Unimproved Property									
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property									
Unimproved Property									

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

<u>Investment properties</u>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
<u>Other assets</u>		-	-	768	1 096	1 096	1 096	1 146	1 199	1 254
Operational Buildings		-	-	768	1 096	1 096	1 096	1 146	1 199	1 254
Municipal Offices		-	-	768	1 096	1 096	1 096	1 146	1 199	1 254
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<u>Biological or Cultivated Assets</u>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<u>Intangible Assets</u>		-	202	1 054	220	220	220	230	240	252
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	202	1 054	220	220	220	230	240	252
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	202	1 054	220	220	220	230	240	252
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<u>Computer Equipment</u>		-	668	834	1 240	1 460	1 460	1 527	1 597	1 671
Computer Equipment		-	668	834	1 240	1 460	1 460	1 527	1 597	1 671
<u>Furniture and Office Equipment</u>		-	293	312	333	699	699	731	765	800
Furniture and Office Equipment		-	293	312	333	699	699	731	765	800
<u>Machinery and Equipment</u>		-	1 232	1 781	2 520	2 640	2 640	2 761	2 888	3 021
Machinery and Equipment		-	1 232	1 781	2 520	2 640	2 640	2 761	2 888	3 021
<u>Transport Assets</u>		-	352	2 070	575	1 159	1 159	1 212	1 268	1 326
Transport Assets		-	352	2 070	575	1 159	1 159	1 212	1 268	1 326
<u>Land</u>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<u>Zoo's, Marine and Non-biological Animals</u>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Depreciation	1	-	2 747	22 201	16 302	23 192	23 192	24 259	25 375	26 543

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

LIM345 Collins Chabane - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	-	18 000	18 000	27 527	8 000	12 000
Roads Infrastructure		-	-	-	-	18 000	18 000	27 527	8 000	12 000
Roads		-	-	-	-	18 000	18 000	27 527	8 000	12 000
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Community Assets		-	670	(6 529)	13 284	11 278	11 278	20 944	-	-
Community Facilities		-	670	(4 654)	-	400	400	700	-	-
Halls		-	-	-	-	-	-	-	-	-
Centres		-	670	(4 654)	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	400	400	700	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	(1 876)	13 284	10 878	10 878	20 244	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	(1 876)	13 284	10 878	10 878	20 244	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Other assets		-	-	(1 564)	4 000	6 000	6 000	10 000	-	-
Operational Buildings		-	-	(1 564)	4 000	6 000	6 000	10 000	-	-
Municipal Offices		-	-	(1 564)	4 000	5 000	5 000	10 000	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	1 000	1 000	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	(5 318)	6 000	3 993	3 993	-	-	-
Computer Equipment		-	-	(5 318)	6 000	3 993	3 993	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets	1	-	670	(13 412)	23 284	39 272	39 272	58 471	8 000	12 000
Upgrading of Existing Assets as % of total capex		0.0%	-0.5%	9.4%	12.7%	14.2%	14.2%	18.0%	4.9%	7.1%
Upgrading of Existing Assets as % of deprecn"		0.0%	24.4%	-60.4%	142.8%	169.3%	169.3%	241.0%	31.5%	45.2%

**Old DCO Building
Hospital Roads
Malamulele
0982**



**Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097**

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

LIM345 Collins Chabane - Supporting Table SA36 Detailed capital budget

R thousand				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Function	Project Description					
Parent municipality: <i>List all capital projects grouped by Function</i>						
Community Parks (including Nurseries): Park	Establishment of Park at Malamulele		1 300	–	3 000	–
	Acquisitions NURSERY AT MALAMULELE		700			
Cemeteries Funeral Parlours and Crematorium	Refurbishment of malamulele cemeteries		–	700	–	–
	Fencing of Vuwani cemeteries		–	400	–	–
	Acquisitions Comm & Soc Serv Cemeteries Fencing of Davhana Cemetery		400			
Administrative and Corporate Support: Corporate	Acquisitions of Furniture		–	1 000	–	–
Electricity: Electrical & Mechanical Services (	Construction of solar LED street lights at Malamulele, Saselamani, Vuwani, Hlanganani		–	12 600	–	–
	Construction of solar traffic lights at Saselamani, Hlanganani, Mhinga, Moriri and Bungeni		–	4 200	–	–
	Construction of Highmasts lights		6 000	15 480	16 000	20 000
	Electrification of mbuti		10 000	7 000	–	–
	Electrification of Various villages		–	8 600		
	Acquisitions of solar panel and 150kva silent back-up generator Boxing Gym		–	2 500	–	–
	Acquisitions of 200kva silent back-up generator Saselamani stadium		–	1 500	–	–
	Acquisitions CONSTRUCTION OF FLOOD LIGHTS		1 500			
	Acquisition Electrification of Malamulele B-Extension		1 900			
	Electrification of Manele, Shigalo, Nghezimani and Nghomunghomu		258			
	Acquisitions Highmasts lights at stadiums		3 000			
	Acquisitions CONSTRUCTION OF MALAMULELE STREELIGHTS		3 700			
	Project Management Unit: Project Management	Upgrading of Malamulele D Extension phase 2		–	1 000	40 000
Construction of Davhana stadium			12 000	7 322	–	–
Construction of Bevhuia Ring road			1 000	18 527	7 000	–
Upgrading of Sebudi/Vyeboom ring road phase2			1 167	34 000	–	–
Upgrading of R81 to Xithelani graveyard road			1 000	18 527	–	–
Outsourced Refurbishment of Merwe stadium			400			
Outsourced Upgrading of municipal workshop			1 000			
Acquisitions XIKUNDU RING ROAD PROJECT			4 800			
Acquisitions Road Tech Serv Construction Malamulele B Internal street			600			
Acquisitions Road Tech Serv Construction Malamulele D Internal street			7 570			
Acquisitions Road Tech Serv DCO to Hospital road widening			20 000			
Acquisitions Road Tech Serv Msetweni Ring Road			25 647			
Construction of Mahatlane Access Bridge			600	1 700	–	–
Opening and widening of streets in Business park			–	1 000	20 000	–
Vuwani Sports Centre			–	5 000	–	–
Upgrading of Sasekani Ring Road			15 000	4 000	–	–
Rehabilitation of Malamulele Internal streets			2 000	5 000	8 000	12 000
Refurbishment of Vuwani Sub-Office				500	–	–
Construction of Bus terminals for local and long distance			–	5 000	2 500	–
Construction of Ablution blocks and showers in municipality stores			–	300	–	–
Upgrading of low level Bridges/Culverts in collins chabane municipality buildings			–	5 000	–	–
Erection of palisade fence and water supply at njhakanjhaka community hall			–	1 500	–	–
extension of Bungeni stadium palisade fence			–	1 000	–	–
Construction of speed humps on newly constructed road			–	400	–	–
Mdavula ring road			–	1 000	3 000	48 000
Mphambho Ring road			–	1 000	3 000	48 000
Nwa-matatani ring road-MIG			25 311	15 000	–	–
Nwa-matatani ring road-OWN			–	5 000	–	–
Municipal office building			45 000	40 000	30 000	40 000

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

Community Halls and Facilities: Community H	Construction of Pound Stations for Vehicles	–	150	–	–
	Development of Market Stalls	4 000	5 500	5 000	–
	Establish Tourism Inform Centre	4 000	3 500	–	–
	Acquisition of Firearms	–	196	–	–
	Acquisitions Comm & Soc Serv Hall & Facili Constr Comm Hall at Malamulele	13 000			
	Outsourced Refurbishment of Nihakajhaka Community Hall	400			
Information Technology: Information & Com	Implementation of Electronic Document Management Solution	–	1 000	–	–
	IT Equipment	1 500	1 000	–	–
	Inter-site Connectivity – (Information centre & Community hall), Vuwani, Hlanganani & S	–	4 000	–	–
	IT Licenses Software	6 071	500	–	–
	Development of Enterprise Architecture	–	300	–	–
	Acquisitions Implementation of Back up and DRP processes(Disaster Recovery)	5 000			
	Acquisitions IT ICT Infrastructure Upgrades	3 993			
	Electronic Document Management System (EDMS)	1 000			
Road and Traffic Regulation: Road & Traffic R	Construction of sub-offices traffic/DLTC and VTS at Hlanganani & Saselamani	–	1 000	19 000	–
	Upgrading of malamulele traffic station	5 000	10 000	–	–
Roads: Roads (702)	Plant & Equipment	18 800	21 500	5 000	–
	Purchase of water tanks	–	250	–	–
Fleet Management: Fleet Management (205)	Acquisitions Fleet Man Fleet Management System(new)	2 500			
	Motor Vehicles	710	5 300	1 200	–
Asset Management: Asset Management (204)	Other equipment	1 783	1 381	1 000	1 350
Solid Waste Removal: Solid Waste Manag	No Dumping Signs	500	100	–	–
	Refuse bins and containers	2 000	2 350	–	–
Solid Waste Disposal (Landfill Sites): Soli	Xigalo land fill site-MIG	4 013	10 000	–	–
	Xigalo land fill site-OWN	–	10 000	–	–
Recreational Facilities: Sport & Recreation	Upgrading of malamulele stadium-MIG	10 878	10 000	–	–
	Upgrading of malamulele stadium-OWN	–	10 244	–	–
Entities:					
<i>List all capital projects grouped by Entity</i>					
Entity A					
Water project A					
Entity B					
Electricity project B					
Entity Capital expenditure		–	–	–	–
Total Capital expenditure		–	277 002	324 026	163 700
					169 350

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

1.5 Financial Position

Below is Table A6 showing Budgeted financial Position

LIM345 Collins Chabane - Table A6 Budgeted Financial Position

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
ASSETS											
Current assets											
Cash	1	—	247 473	330 310	431 687	240 948	240 948	—	107 785	197 000	203 000
Call investment deposits		—	123 057	123 057	—	—	—	—	100 000	10 000	12 000
Consumer debtors		—	21 127	40 340	38 813	44 413	44 413	1 596	39 399	25 144	26 301
Other debtors		—	—	14 929	21 953	21 953	21 953	—	11 289	11 808	12 351
Current portion of long-term receivables	2	—	—	—	—	—	—	—	1 605	1 679	1 756
Inventory		—	—	1 259	1 259	1 259	1 259	—	1 259	—	—
Total current assets		—	391 657	509 895	493 712	308 574	308 574	1 596	261 337	245 631	255 408
Non current assets											
Long-term receivables	3	—	—	—	—	—	—	—	—	—	—
Investments		—	—	—	0	0	0	—	—	—	—
Investment property		—	10 258	15 570	15 570	15 570	15 570	—	15 570	16 815	17 570
Investment in Associate		—	—	—	—	—	—	—	—	—	—
Property, plant and equipment		—	460 636	592 214	776 145	860 644	860 644	1 294 860	900 785	1 048 994	1 155 527
Biological		—	—	—	—	—	—	—	—	—	—
Intangible		—	729	509	509	9 080	9 080	—	859	909	959
Other non-current assets		—	—	—	—	—	—	—	—	—	—
Total non current assets		—	471 623	608 293	792 224	885 295	885 295	1 294 860	917 214	1 066 719	1 174 057
TOTAL ASSETS		—	863 280	1 118 188	1 285 937	1 193 869	1 193 869	1 296 456	1 178 551	1 312 349	1 429 465
LIABILITIES											
Current liabilities											
Bank overdraft	1	—	—	—	—	—	—	—	—	—	—
Borrowing	4	—	—	1 206	388	388	388	818	—	—	—
Consumer deposits	4	—	—	424	—	—	—	—	—	—	—
Trade and other payables		0	28 859	62 983	61 776	61 776	61 776	(23 721)	34 776	44 776	54 776
Provisions		—	10 870	10 570	3 685	3 685	3 685	—	3 685	3 895	4 120
Total current liabilities		0	39 729	75 182	65 849	65 849	65 849	(22 904)	38 462	48 671	58 896
Non current liabilities											
Borrowing		—	5 862	5 109	—	—	—	5 109	—	—	—
Provisions		—	119 882	122 331	5 292	5 292	5 292	117 039	122 331	123 790	124 876
Total non current liabilities		—	125 744	127 441	5 292	5 292	5 292	122 148	122 331	123 790	124 876
TOTAL LIABILITIES		0	165 473	202 623	71 142	71 142	71 142	99 245	160 793	172 462	183 772
NET ASSETS	5	(0)	697 807	915 565	1 214 795	1 122 727	1 122 727	1 197 211	1 017 757	1 139 888	1 245 693
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)	4	—	685 131	912 870	1 214 795	1 122 727	1 119 535	139 364	1 017 757	1 139 888	1 245 693
Reserves		—	—	—	—	—	—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	5	—	685 131	912 870	1 214 795	1 122 727	1 119 535	139 364	1 017 757	1 139 888	1 245 693

The municipality closed the 2018/19 financial year with a positive bank balance of R330,956 million and is forecasting closing bank balance of R321,785 million for the 2019/20 financial year.

The trend of positive bank balances will continue in the 2020/21, 2021/22 and 2022/23 financial years with amounts of R207,785 million, R207 million and R215 million respectively.

The budgeted current assets for the period amount to R261, 337 million, R245, 631 million and R255, 408 million for 2020/21, 2021/22 and 2022/23 financial years with total current liabilities of R38, 462 million, R48, 671 million and R58, 896 million for the same period.

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

The current ratios for the financial years 2020/21, 2021/22 and 2022/23 are 6.79:1, 5.05:1 and 4.34:1 respectively.

The community wealth/assets will decrease over the period to R1, 017, 757 billion in the 2020/2021 financial year from the full year forecast of R1, 122, 727 billion.

1.6 Cash flow forecasting

The cash flow forecasting is shown on Table A7 below

LIM345 Collins Chabane - Table A7 Budgeted Cash Flows

Description		Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates			—	28 215	15 837	7 793	10 193	10 193	(40 661)	7 105	7 431	7 773
Service charges			—	(118 460)	(713)	3 792	3 792	3 792	(39 572)	793	830	868
Other revenue			—	104 332	154	8 680	21 097	21 097	48 831	10 799	11 295	11 815
Transfers and Subsidies - Operational		1	—	314 421	331 608	357 891	373 070	373 070	280 220	399 138	427 094	451 828
Transfers and Subsidies - Capital		1	—	112 001	118 850	116 031	125 031	125 031	75 277	97 075	103 644	109 889
Interest			—	12 508	11 742	9 052	3 000	3 000	8 686	14 190	14 843	15 526
Dividends			—	—	—	—	—	—	—	—	—	—
Payments												
Suppliers and employees			—	12 177	(194 187)	(196 297)	(318 290)	(318 290)	482 557	(334 540)	(313 010)	(329 105)
Finance charges			—	(175)	(41)	—	—	—	(0)	—	—	—
Transfers and Grants		1	—	(12 522)	(52 868)	(5 978)	(7 707)	(7 707)	(2 833)	(7 789)	(8 138)	(8 503)
NET CASH FROM/(USED) OPERATING ACTIVITIES			—	452 498	230 381	300 964	210 186	210 186	812 504	186 771	243 990	260 091
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE			—	(45 721)	9 568	—	—	—	—	—	—	—
Decrease (increase) in non-current receivables			—	—	—	—	—	—	—	—	—	—
Decrease (increase) in non-current investments			—	—	(5 312)	—	—	—	(15 570)	—	—	—
Payments												
Capital assets			—	(90 458)	(153 548)	(200 233)	(300 194)	(300 194)	(771 186)	(300 771)	(244 775)	(252 090)
NET CASH FROM/(USED) INVESTING ACTIVITIES			—	(136 179)	(149 293)	(200 233)	(300 194)	(300 194)	(786 756)	(300 771)	(244 775)	(252 090)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans			—	—	—	—	—	—	1 206	—	—	—
Borrowing long term/refinancing			—	5 650	(753)	—	—	—	5 109	—	—	—
Increase (decrease) in consumer deposits			—	—	424	—	—	—	319	—	—	—
Payments												
Repayment of borrowing			—	—	—	—	—	—	—	—	—	—
NET CASH FROM/(USED) FINANCING ACTIVITIES			—	5 650	(329)	—	—	—	6 634	—	—	—
NET INCREASE/ (DECREASE) IN CASH HELD			—	321 969	80 759	100 731	(90 008)	(90 008)	32 381	(114 000)	(785)	8 001
Cash/cash equivalents at the year begin:		2	—	186 333	370 530	330 956	330 956	330 956	(30 678)	321 785	207 785	207 000
Cash/cash equivalents at the year end:		2	—	508 302	451 289	431 687	240 948	240 948	1 704	207 785	207 000	215 000

The cash flow as shown on the table above, will remain positive from the full year forecasting of R240,948 million. This will remain positive in the MTREF period with 2020/21 financial year forecast of R207,785 million. The cash and cash equivalents include cash in the bank and investments.

As shown on Table A8 below, the municipality will have a surplus of R193,379 million, R177,074 million and R175,758 million in the 2020/21, 2021/22 and 2022/23 financial years respectively.

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

LIM345 Collins Chabane - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	-	508 302	451 289	431 687	240 948	240 948	1 704	207 785	207 000	215 000
Other current investments > 90 days		-	(137 772)	2 078	-	(0)	(0)	(1 704)	(1)	0	(0)
Non current assets - Investments	1	-	-	-	0	0	0	-	-	-	-
Cash and investments available:		-	370 530	453 367	431 687	240 948	240 948	-	207 785	207 000	215 000
Application of cash and investments											
Unspent conditional transfers		-	28 859	0	-	-	-	1 818	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	0	(12 827)	39 153	22 857	17 051	17 051	(24 349)	14 405	29 926	39 242
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		0	16 032	39 153	22 857	17 051	17 051	(22 531)	14 405	29 926	39 242
Surplus(shortfall)		(0)	354 498	414 214	408 830	223 897	223 897	22 531	193 379	177 074	175 758

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

LIM345 Collins Chabane - Table A9 Asset Management

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	-	(136 955)	(129 854)	160 647	236 930	236 930	265 555	155 700	157 350
Roads Infrastructure		-	9 386	(10 477)	67 747	86 695	86 695	74 227	75 500	96 000
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	(18 100)	(31 988)	8 000	26 358	26 358	67 480	16 000	20 000
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	(7 745)	12 000	6 513	6 513	22 450	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	(8 714)	(50 210)	87 747	119 565	119 565	164 157	91 500	116 000
Community Facilities		-	-	1 640	20 000	23 000	23 000	9 400	8 000	-
Sport and Recreation Facilities		-	-	40 759	-	12 000	12 000	12 322	-	-
Community Assets		-	-	42 399	20 000	35 000	35 000	21 722	8 000	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	(5 719)	(1 108)	30 000	45 000	45 000	41 950	49 000	40 000
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	(5 719)	(1 108)	30 000	45 000	45 000	41 950	49 000	40 000
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	(120 000)	(115 976)	-	8 571	8 571	4 500	-	-
Intangible Assets		-	(120 000)	(115 976)	-	8 571	8 571	4 500	-	-
Computer Equipment		-	-	329	1 500	7 500	7 500	3 300	-	-
Furniture and Office Equipment		-	499	542	-	-	-	-	-	-
Machinery and Equipment		-	405	(2 292)	19 400	20 583	20 583	24 627	6 000	1 350
Transport Assets		-	(3 425)	(3 538)	2 000	710	710	5 300	1 200	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<u>Total Renewal of Existing Assets</u>	2	-	-	-	-	800	800	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	400	400	-	-	-
Sport and Recreation Facilities		-	-	-	-	400	400	-	-	-
Community Assets		-	-	-	-	800	800	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-



Old DCO Building
Hospital Roads
Malamulele
0982

Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

Investment properties	-	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
Total Upgrading of Existing Assets	6	-	670	(13 412)	23 284	39 272	39 272	58 471	8 000	12 000
Roads Infrastructure	-	-	-	-	-	18 000	18 000	27 527	8 000	12 000
Storm water Infrastructure	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	18 000	18 000	27 527	8 000	12 000
Community Facilities	-	670	(4 654)	-	400	400	700	-	-	-
Sport and Recreation Facilities	-	-	(1 876)	13 284	10 878	10 878	20 244	-	-	-
Community Assets	-	670	(6 529)	13 284	11 278	11 278	20 944	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	(1 564)	4 000	6 000	6 000	10 000	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
Other Assets	-	-	(1 564)	4 000	6 000	6 000	10 000	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	(5 318)	6 000	3 993	3 993	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	-	(136 284)	(143 266)	183 931	277 002	277 002	324 026	163 700	169 350
Roads Infrastructure	-	-	9 386	(10 477)	67 747	104 695	104 695	101 753	83 500	108 000
Storm water Infrastructure	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	(18 100)	(31 988)	8 000	26 358	26 358	67 480	16 000	20 000
Water Supply Infrastructure	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	-	-	(7 745)	12 000	6 513	6 513	22 450	-	-
Rail Infrastructure	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	(8 714)	(50 210)	87 747	137 565	137 565	191 683	99 500	128 000
Community Facilities	-	670	(3 014)	20 000	23 800	23 800	10 100	8 000	-	-
Sport and Recreation Facilities	-	-	38 883	13 284	23 278	23 278	32 566	-	-	-
Community Assets	-	670	35 869	33 284	47 078	47 078	42 666	8 000	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	(5 719)	(2 672)	34 000	51 000	51 000	51 950	49 000	40 000
Housing	-	-	-	-	-	-	-	-	-	-
Other Assets	-	-	(5 719)	(2 672)	34 000	51 000	51 000	51 950	49 000	40 000
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	(120 000)	(115 976)	-	8 571	8 571	4 500	-	-
Intangible Assets	-	-	(120 000)	(115 976)	-	8 571	8 571	4 500	-	-
Computer Equipment	-	-	-	(4 989)	7 500	11 493	11 493	3 300	-	-
Furniture and Office Equipment	-	499	542	-	-	-	-	-	-	-
Machinery and Equipment	-	405	(2 292)	19 400	20 583	20 583	24 627	6 000	1 350	-
Transport Assets	-	(3 425)	(3 538)	2 000	710	710	5 300	1 200	-	-
Land	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-



**Old DCO Building
Hospital Roads
Malamulele
0982**

**Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097**

ASSET REGISTER SUMMARY - PPE (WDV)	5	-	310 806	434 400	792 224	865 495	865 495	271 940	61 825	34 807
Roads Infrastructure		-	177 995	261 091	67 747	86 695	86 695	62 509	(5 257)	(12 821)
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	19 135	4 911	8 000	26 358	26 358	67 229	15 738	19 726
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	12 000	4 013	4 013	10 000	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	197 130	266 003	87 747	117 065	117 065	139 738	10 481	6 905
Community Assets		-	39 836	80 588	625 498	638 492	638 492	47 983	3 102	(5 124)
Heritage Assets		-	-	-	-	-	-	-	-	-
Investment properties		-	10 258	15 570	15 570	15 570	15 570	-	-	-
Other Assets		-	27 186	31 030	34 000	50 000	50 000	50 574	47 561	38 494
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	729	509	509	9 080	9 080	4 500	-	-
Computer Equipment		-	3 664	3 130	7 500	11 493	11 493	1 773	(1 597)	(1 671)
Furniture and Office Equipment		-	2 442	3 642	-	-	-	(731)	(765)	(800)
Machinery and Equipment		-	21 681	27 110	19 400	23 083	23 083	24 015	3 112	(1 671)
Transport Assets		-	7 880	6 817	2 000	710	710	4 088	(68)	(1 326)
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	-	310 806	434 400	792 224	865 495	865 495	271 940	61 825	34 807
EXPENDITURE OTHER ITEMS		-	(1 100)	17 056	16 454	35 837	35 837	34 415	34 918	36 706
<u>Depreciation</u>	7	-	2 747	22 201	16 302	23 192	23 192	24 259	25 375	26 543
<u>Repairs and Maintenance by Asset Class</u>	3	-	(3 847)	(5 145)	152	12 644	12 644	10 156	9 543	10 163
Roads Infrastructure		-	817	433	50	5 000	5 000	6 645	5 871	6 322
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	50	600	600	628	656	687
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	844	844	883	924	966
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	817	433	100	6 444	6 444	8 156	7 451	7 975
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	(66)	(289)	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	(66)	(289)	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	1 200	1 200	-	-	-
Furniture and Office Equipment		-	(0)	(120)	-	-	-	-	-	-
Machinery and Equipment		-	(4 598)	(5 376)	-	-	-	-	-	-
Transport Assets		-	-	206	52	5 000	5 000	2 000	2 092	2 188
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		-	(1 100)	17 056	16 454	35 837	35 837	34 415	34 918	36 706

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

1.7 Reconciliation of Grants and Subsidies

The total grants to be transferred, both operational and capital grants as per Division of Revenue Act is R496,213 million, R530,738 million and R561,717 million for the financial years 2020/21, 2021/22 and 2022/23 financial years respectively.

LIM345 Collins Chabane - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		228 192	317 446	331 608	357 891	373 070	373 070	399 138	427 094	451 828
Local Government Equitable Share		206 039	304 695	327 068	354 377	369 556	369 556	395 677	424 494	449 128
Finance Management		2 010	3 024	2 345	2 345	2 345	2 345	2 300	2 600	2 700
EPWP Incentive		-	1 000	1 134	1 169	1 169	1 169	1 161	-	-
Municipal Demarcation Transitional Grant		20 143	8 726	-	-	-	-	-	-	-
Municipal Systems Improvement		-	-	1 061	-	-	-	-	-	-
Other transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	228 192	317 446	331 608	357 891	373 070	373 070	399 138	427 094	451 828
Capital Transfers and Grants										
National Government:		88 177	95 993	118 850	104 031	125 031	125 031	97 075	103 644	109 889
Municipal Infrastructure Grant (MIG)		88 177	95 993	101 850	94 031	115 031	115 031	81 475	88 644	93 889
Integrated National Electrification Programme		-	-	17 000	10 000	10 000	10 000	15 600	15 000	16 000
Other capital transfers/grants [insert desc]		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	88 177	95 993	118 850	104 031	125 031	125 031	97 075	103 644	109 889
TOTAL RECEIPTS OF TRANSFERS & GRANTS		316 369	413 438	450 458	461 922	498 101	498 101	496 213	530 738	561 717

PART 2 – SUPPORTING DOCUMENTATION

2.1 Overview of the Annual Budget Process

Section 53 of the MFMA requires the Executive Mayor to provide general political guidance in the budget process and setting of priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act. The budget steering committee meeting was held on the 20th March 2020 prior to the approval of the draft annual budget 2020/21.

2.1.1 Budget Process Review

In terms of section 21 of the MFMA, the Mayor is required to table in Council ten months before the start of the new financial year, August 2019, a time schedule that sets out the process to revise the IDP and prepare the budget.

The required IDP and budget time schedule were tabled on 31 August 2019

Key dates applicable to the process were:

- 31 March 2020 – Tabling of the 2020/21 – 2022/23 MTREF budget to Council.
- April 2020 – May 2020: Public Participation.
- 31 May 2020 – Council Approves the Final 2020/21 – 2022/23 MTREF budget.
- 10 June 2020 – Submit Final 2020/21 – 2022/23 MTREF budget documents to National and Provincial Treasuries.

2.1.2 IDP and Service Delivery and Budget Implementation Plan

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework rolled out into objectives, key performance indicators and targets for implementation, which directly inform the Service Delivery and Budget Implementation Plan.

The process plan included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the draft SDBIP; and
- The review of the performance management and monitoring processes.

2.1.3 Financial Modelling and Key Planning Drivers

The following key factors and planning strategies have informed the compilation of the 2020/21 MTREF budget:

- Growth of the Municipality
- National and Provincial priorities;

Old DCO Building
Hospital Roads
Malamulele
0982



Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097

- Policy priorities and strategic objectives.
 - Asset maintenance.
 - Economic climate and trends.
 - Performance trends.
 - Cash Flow Management Strategy.
 - Debtor Payment Levels and collection.
-
- The need for tariff increases versus the ability of the community to pay for services.
 - Improved and sustainable service delivery.

Furthermore, the strategic guidance given in National Treasury's MFMA Circular 98 & 99 have been taken into consideration in the planning and prioritization process.

2.1.4 Community Consultation.

Council will embark on a public participation process immediately after the tabling of 2020/21 – 2022/23 MTREF between April and May 2020. The process for public participation will be affected by the national lockdown as declared by the president of South African due to the coronavirus pandemic.

2.2 Overview of Alignment of Annual Budget with IDP

The Constitution mandates local government with the responsibility to exercise local development and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated development planning process.

The IDP provides a five-year strategic programme of action aimed at setting short; medium- and long-term strategic priorities to create a development platform; which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which Council use to provide vision. Leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables the municipality to make the best use of scarce resources and speed up service delivery.

IDP is an approach to planning aimed at involving the municipality and the community to find the best solutions towards sustainable development.

The IDP developed by Council must correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in the area. Applied to the towns, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the municipality strategically complies with the key national and provincial priorities.

**Old DCO Building
Hospital Roads
Malamulele
0982**



**Private Bag X9271
Malamulele
0982
Tel (015) 851 0110
Fax (015) 851 0097**

The national and provincial priorities; policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009.
- Government Programme of Action.
- Development Facilitation Act of 1995.
- Provincial Growth and Development Strategy (GGDS).
- National and Provincial spatial development perspectives.
- Relevant sector plans such as transportation; legislation and policy.
- National Key Performance Indicators (NKPIs)
- The National and Provincial Priority Outcome.